

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6982**

**BILL NUMBER:** HB 1114

**NOTE PREPARED:** Dec 27, 2002

**BILL AMENDED:**

**SUBJECT:** Funding for Adult Education.

**FIRST AUTHOR:** Rep. Cheney

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that a school corporation that operates an adult education program at a cost greater than its state reimbursement may intercept the state distributions of another school corporation whose students attend the adult education program in an amount equal to the difference between the cost of the program and the reimbursement amount.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** The bill allows a school corporation to request the State Treasurer to redirect state distribution if the school where the adult lives does not reimburse the school educating the adult the net cost of education. The reductions are first from property tax replacement funds, second from other funds except tuition support, and lastly from tuition support. The bill would have no impact on the amount of funds distributed, but could increase administrative costs depending on the number of schools that utilize the intercept procedure. The increase in administrative cost would probably be minor.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The sending school would experience a reduction of state revenue, and the school providing the adult educational services would experience an increase in state revenue. It is unknown if or how often the intercept procedure would be used, so the impact on schools is unknown.

**State Agencies Affected:** State Treasurer.

**Local Agencies Affected:** School Corporations.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825